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Subject: Iceland's position on the Green Paper – From Challenges to Opportunities: Towards a Common Strategic Framework for EU Research and Innovation funding

Background

Iceland has been associated with the EU's Framework Programmes on Research and technological development as well as the CIP Programme and its predecessors since 1994, based on the Agreement on the European Economic Area (EEA Agreement). Currently, Iceland is negotiating possible EU membership. Pending the outcome of a national referendum it may become a full member during the future programme period (2014-2020) for the Common Strategic Framework (CSF).

This position paper was written by the Icelandic Centre for Research (RANNIS) and the Ministry of Education, Science and Culture, following consultations with other ministries, the Science and Technology Boards of the Science and Technology Policy Council and various other stakeholders in the Icelandic research community. In general Iceland supports the ideas reflected in the Green Paper regarding the CSF, but below some issues of particular importance are highlighted.

Towards the CSF

The overall experience of Icelandic participation in the Seventh Framework programme (FP7) has been positive, both in terms of participation, return on investment and increased international cooperation and networking opportunities. Universities and research organizations are the main participants, but increased participation of industry would be desirable. In particular, Iceland has been active in research areas covering biotechnology, renewable energy, health and environment.

Icelandic participation in the Competitiveness and Innovation Programme (CIP) has mostly been limited to the EEN network where experiences have been positive. Iceland has not participated in or been associated with activities under the cohesion policy and would presumably have limited possibilities for participation following accession. Iceland stresses, however, that political goals of cohesion should not reduce the emphasis on excellence in research and innovation activities.

Icelandic participation in EIT initiatives has been limited so far. However, Iceland still recognises the EIT's part in the CSF as well its role in achieving the European Research Area (ERA) and the European Higher Education Area (EHEA) and its vital role in strengthening the knowledge triangle in Europe.

Europe 2020 and Grand Challenges

Iceland welcomes the *Europe 2020 strategy* and its ambitious goals. Collaborative efforts of research, businesses and other stakeholders will be essential to transforming Europe into an innovation society and moving forward from the post-crisis economy. Iceland agrees that transnational research and innovation collaboration with emphasis on grand challenges is the key to advancing the economy and securing economic as well as social progress. The national *Science and Technology Policy 2010-2012, "Building on solid foundations"* and the recently adopted national policy statement, "*Iceland 2020 – (governmental policy statement for the economy and community) Action plan for industry and society; knowledge, sustainability and welfare*", are to a great extent compatible with the EU 2020 policy goals.

Iceland supports a comprehensive reform of European research and innovation programmes with the aim of increasing their complementarities. European programmes should focus on themes where critical mass and transnational approaches are crucial for success in close interaction with national/regional initiatives. Further removal of barriers and coordination actions are needed in order to bring about a functioning ERA.

Further steps are needed to reduce fragmentation and duplication of activities, as outlined in the Green Paper on the CSF. Positive experiences have been had on the basis of various ERA-Nets, Joint Programming and Art. 185 initiatives, but their number and different approaches have in some ways caused confusion. There is a need to clarify the roles of these different policy instruments as well as interaction with the recently introduced European Innovation Partnerships. For Iceland and other small states it is especially important that their perspectives are sufficiently taken into account in the identification of areas for collaboration and implementation. In order to ensure equal participation in

preparing strategic research agendas, regardless of size and economic strength, funding could be provided at European level to support participation and input from all countries. Broad political support needs to be ensured for all new initiatives.

Innovation and SME support

SME support should be focused on encouraging research activities, innovation and entrepreneurship, as well as the internationalisation of enterprises. Successful research projects need to be followed-up with testing, demonstration and application activities and the CSF provides an opportunity to facilitate increased market uptake of research results. An important prerequisite for innovation is cooperation and the transfer of technology and knowledge between research organisations, industry and SMEs. Ideas and patents must be accessible. Commercialisation is also vital in order to ensure the creation of more spin offs and to contribute to job creation and competitiveness. The Enterprise Europe Network has made it easier to bring research results beyond national borders effectively.

The predominant top-down nature of the Framework Programme, as well as the level of complexity for participants, considerably limits the benefits for SMEs taking part in project proposals, especially the smaller ones. In order to encourage more SME participation in collaborative projects, calls for proposals should be based on more flexible work programme topics. The current average time-to-grant of almost a year also has to be reduced in order to increase SME participation. Iceland considers that the *Research for SMEs programme* currently benefits only a limited group of enterprises, especially the part devoted to *Research for the Benefit of SME Associations*. Good progress has, however, been made on the basis of ERA-Nets and, especially, the Eurostars Art. 185 initiatives. The success of Eurostars is largely based on proximity assistance provided by national/regional funding organisations and common evaluation and submission procedures. The bottom-up nature of the initiative is another key factor in its success. The Eurostars model should be further supported and possibly expanded into other sections of industry, such as low-tech research acquiring SMEs.

Procedures and Assistance

The new strategic framework should make European research and innovation more attractive by simplifying access and participation rules. This is essential in attracting new participants, not least SMEs and young entrepreneurs. The Interim Evaluation of the FP7 calls for a quantum leap in simplification. Considerable progress has been made during the lifetime of FP7, such as the unique registration facility, but much still needs to be done. Iceland recommends that CSF funding are based on the experience gained in FP7 and CIP without introducing a set of completely new funding

schemes. The new instruments should include greater flexibility, opening up further the possibility of cross thematic projects with less emphasis on narrowly pre-defined research topics. They should allow for more flexibility of development throughout the lifetime of projects, including adoption of new partners, without creating excessive administrative burdens.

Iceland supports the idea of a single entry point (one stop shop) with common IT tools for all EU research and innovation programmes. Development of a support system for applicants should be based on the experience of the Enterprise Europe Network (EEN) and the networks of FP7 National Contact Points (NCPs). It should, however, be noted that administrative processes in the EEN network are burdensome and should be simplified considerably. Support at national level needs to reflect the architecture of the new framework and the Community should provide extensive training and financial support to facilitate proximity assistance that combines the current NCP and EEN networks at national level.

Experiences from the establishment of executive agencies have been promising albeit some initial difficulties. Good functioning agencies will lead to improved programme management and release the Commission from administrative burdens. In light of their increased role in the framework of the CFS, Iceland requests that vacant positions in the executive agencies would be open to applications from EEA/EFTA States where they contribute financially to the management and implementation of programmes.

Scientific Excellence and Human Resources

A society concerned with innovation must involve all potential innovators in the research and innovation process and all research and innovation systems should provide equal opportunities for highly qualified persons, regardless of their background, gender, ethnic group and/or religion. Therefore, the focus should always be on excellence. However, since specific measures are needed to further strengthen the role of women in science and technology, the CSF should advocate gender balance as one key of a Responsible Research and Innovation (RRI) action with the aim of strengthening the role of women in science and innovation. Gender perspectives are vital to ensure the most reliable outcome of research, reflecting the viewpoints of the whole of society.

In general, the working environment in science and innovation should be made more family-friendly. This requires actions at member state level to ensure that e.g. parental leave is an adequate reason for postponing a research funding period and parental leave is not a hindrance when it comes to reintegration into research or with regard to career prospects. Iceland believes that the term *gender*

balance should be used in this context, in order to avoid any kind of discrimination. The ultimate objective should be to create equal opportunities for both sexes. Furthermore, gender balance should be monitored regularly, and results made accessible and transparent in order to have an impact on policy measures.

Curiosity-driven and agenda-driven research is not mutually exclusive. A strategic agenda, consisting of a limited number of societal challenges, would focus efforts and resources – and increase the probability of innovation in those areas. Care should be taken to include greater flexibility to allow for the dynamic nature of research, especially with respect to interdisciplinary opportunities. The Nordic countries have made positive experiences from the *Top-level Research initiative*, a globalization initiative focusing on climate change, energy and environment. Societal challenges of interest can be linked to climate and societal changes in the North in particular green technologies, areas supporting the development of creative industries and a shift in energy from fossil fuels to renewable energy.

Bottom-up research is the corner stone of all innovation. With societal challenges as the basis for the CSF the complexity of activities would benefit from bottom-up approaches. This would, furthermore, shift emphasis from traditional compartmentalized approaches to focus on challenges and outcomes. The ERC has been a crucial component in raising the level of excellence in European research. The ERC starting grants are the foundation for keeping young researchers in Europe and attracting top level talent from abroad. The ERC has, most importantly, reinforced the idea of the importance of outstanding blue-sky research. The role of the ERC should be strengthened by an increase in funding.

Iceland supports a strengthening of the Marie Curie Actions as a research training and mobility programme. The successor of the FP7 People programme should play an important role in the new CSF, linking it with European educational programmes. The current programme has built on the success of its predecessors and introduced some successful novelties. There is a clear need to raise the financial resources allocated to the programme, especially under the Initial Training Networks (ITNs) and individual activities, where there is a continued oversubscription. Iceland welcomes the success of the Cofund-scheme that provides added value to the Community contribution, in terms of both financial resources and impact. Co-funding may also be used to simplify procedures for applicants, with proximity assistance and use of national procedures known to the user. Iceland would support a cofund-action for initial training activities. Transparency should, however, be ensured with targeted promotional activities and all Community funded fellowships and grants should

be advertised on the EURAXESS portal. In addition to the overall objective of increasing transnational mobility, successful proposals should primarily be selected based on scientific excellence. Emphasis on industrial participation and innovation should neither endanger the bottom-up nature of the programme nor favour particular disciplines over others.

Research Infrastructures

Iceland strongly supports the view that building pan-European research infrastructures is a key element in building research excellence in Europe. Iceland has participated in the European Strategy Forum for Research Infrastructures (ESFRI) that has emphasized strategic planning of European infrastructures, and encouraged individual member states and associated countries to organize and plan strategically the infrastructures at national level, regionally as well as on a European level. This forum is an important mechanism for facilitating cooperation in research infrastructures. Setting up and strengthening e-infrastructure is particularly important for Iceland, both for its geographical location and remote areas within the country, and a special emphasis has been set on e-infrastructure in the national roadmap as a critical part of infrastructures needed to maintain high impact research and innovation activities in Iceland.

Science for Society

Science, innovation and technological achievements are important in people's everyday lives and permeate every sector of our communities. The impact and benefits of research and innovation should be made more visible to citizens through enhancing the communication of science and science education. Science communication targeted towards a wide audience, including policy makers, the media and the public, is vital in order to promote increased dialogue and understanding between the scientific world and society at large. Effective and engaged use of media for raising public and political awareness of major societal challenges addressed by science should be encouraged. A variety of media allows for a broader reach in a more democratic way compared to more closed spheres such as the dissemination of scientific information within the research and innovation community. Professional communication of results to society should be an integral and compulsory part of every funded research project in order to ensure understanding between researchers and the public. Another effective way of reaching the public is through science events and festivals, targeted towards families and young people. The European Researchers' Night initiative is an excellent example of a successful science communication activity.

With regard to science education, European research and innovation instruments should be developed to address the whole life cycle of research, including education. Education, research and innovation

form a continuum known as the knowledge triangle embedded in society. In order to tackle the societal challenges facing Europe, the democratization of science - science for society - should be promoted.